UNCLASSIFIED Release 9
Department of State TELEGRAM
DEPARTMENT OF STATE A/GDC/MR
REVIEWED BY [illegible] DATE 2/12/80
EO AUTH: XDS EXE. DATE
AN: 0760309-1067 REASON(S)
MARKINGS
DATE OF APPLICATION
EXEMPT STATUS
PA OR FOIA APPLICATIONS

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ACTION L-03

INFO OCT-01 EA-07 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 MC-02

ED-07 NRC-05 TRSE-00 ERDA-05 COME-00 OPIC-03 AID-05

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TO SECSTATE WASHDC 3777

LIMITED OFFICIAL USE SEOUL 0660

E.O. 11652: N/A
TAGS: DESN, PFOR, PINR, MASS
SUBJECT: BRIBERY OF FOREIGN OFFICIALS BY U.S. FIRMS OPERATING ABROAD

REF: STATE 260169

1. KOREAN LAW RECOGNIZES SALES AGENT CONCEPT INCLUDING REMUNERATION FOR SUCH SERVICES (ARTS. 87-113, COMMERCIAL CODE; ART. 5, FOREIGN TRADE ACT). CERTAIN RIGHTS AND DUTIES OF AGENT IN AGENT-PRINCIPAL RELATIONSHIP ARE PRESCRIBED.

2. AGENT-ROKG RELATIONSHIP, HOWEVER, IS NOT SPECIFICALLY PRESCRIBED BY ROKG LAWS. AGENT-ROKG RELATIONSHIP IS COVERED ONLY UNDER CRIMINAL LAW STATUTES (ARTS. 122-136, CRIMINAL CODE) WHICH REQUIRE THAT NORMAL PROPRIETY BE EXERCISES. REGARDING REASONABLENESS OF AGENTS' COMMISSIONS, A GENERAL POLICY AND PRACTICE OF INTOLERANCE TOWARD EXCESSIVE AGENTS' FEES IS PREVALENT IN ORKG PROCUREMENT.

3. COPIES OF ENGLISH LANGUAGE TRANSLATIONS OF ABOVE-CITED AND ANCILLARY LAWS POUCHED TO DEPARTMENT (L/PM).
SNEIDER

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